

# *St. Louis City Ordinance 64631*

FLOOR SUBSTITUTE

BOARD BILL NO. [98] 298

INTRODUCED BY ALDERMAN Phyllis Young

AN ORDINANCE AUTHORIZING AND DIRECTING THE ISSUANCE AND DELIVERY OF TAX INCREMENT REVENUE NOTES (EDISON BROTHERS WAREHOUSE REDEVELOPMENT AREA) SERIES 1999, OF THE CITY OF ST. LOUIS, MISSOURI, IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,300,000 PLUS THE AMOUNT REQUIRED TO PROVIDE FOR THE COSTS OF ISSUANCE THEREOF, FOR THE PURPOSE OF FINANCING CERTAIN PROJECTS; PRESCRIBING THE FORM AND DETAILS OF SAID NOTES; AND PROVIDING FOR THE CREATION OF CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID NOTES AS THEY BECOME DUE.

WHEREAS, The City of St. Louis, Missouri (the "City"), is a body corporate and political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of its charter, the Constitution and laws of the State of Missouri; and

WHEREAS, the Tax Increment Financing Commission of the City of St. Louis, Missouri (the "TIF Commission") was created by the City pursuant to Ordinance No. 62477, and said TIF Commission conducted a public hearing on December 21, 1998, and by motion, recommended approval of the Redevelopment Plan - Edison Brothers Warehouse Redevelopment Area, City of St. Louis (the "Redevelopment Plan") and the redevelopment project therein described (the "Project"); and

WHEREAS, on , 1999, the City adopted Ordinance No. (the "Approving Ordinance") approving the Redevelopment Plan and the Project pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the "Act"); and

WHEREAS, pursuant to the Approving Ordinance, the City designated that area legally described in the Redevelopment Plan as a "redevelopment area" as defined in Section 99.805(11) of the Act (the "Redevelopment Area") and adopted tax increment allocation financing under the Act; and

WHEREAS, Breckenridge Edison Development, L.C. (the "Developer"), is a Missouri limited liability company; and

WHEREAS, the City has a responsibility to provide for the general health, safety and welfare for the Redevelopment Area; and

WHEREAS, the City and the Developer desire to cooperate and to take the reasonable steps necessary to facilitate the prompt design, commencement and completion of certain improvements to the Redevelopment Area including certain infrastructure improvements within the Redevelopment Area; and

WHEREAS, pursuant to the Approving Ordinance, the City authorized the execution of a Redevelopment Agreement between the City and the Developer (the "Agreement"), setting forth the respective rights and obligations of the City and the Developer with regard to the redevelopment of the Redevelopment Area; and

WHEREAS, the City intends to issue its Tax Increment Revenue Notes (the "TIF Notes"), pursuant to the Act, in the aggregate principal amount set forth herein to finance certain costs associated with the Redevelopment Project; and

WHEREAS, the TIF Notes shall be issued in two series: (1) one or more Taxable Tax Increment Revenue Notes (Edison Brothers Warehouse Redevelopment Area), Series 1999, in an aggregate principal amount not to exceed \$5,300,000 plus Issuance Costs (as defined in the Agreement), less the aggregate principal amount of the hereinafter described Tax-Exempt Tax Increment Revenue Notes (the "Taxable TIF Notes"), and (2) one or more Tax-Exempt Tax Increment Revenue Notes (Edison Brothers Warehouse Redevelopment Area), Series 1999, in an aggregate principal amount as set forth in the approving opinion of Bond Counsel (the "Tax-Exempt TIF Notes"); and

WHEREAS, the City has determined that it is in the best interest of the City to sell the TIF Notes at a private sale, without advertisement, to the Original Purchaser (as herein defined), at a price equal to 100% of their face value; and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that the TIF Notes be issued and secured in the form and manner as hereinafter provided to provide funds for such purpose;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

Section 101. Definitions of Words and Terms. In addition to the words and terms defined elsewhere in this Ordinance (the "TIF Note Ordinance"), the following capitalized words and terms, as used in this TIF Note Ordinance, shall have the following meanings:

"Act" means Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended.

"Additional TIF Notes" means any additional parity TIF Notes issued pursuant to Section 206 of this TIF Note Ordinance.

"Agreement" means the Redevelopment Agreement between the City and Developer.

"Approving Ordinance" means Ordinance No. adopted by the City on \_\_\_\_\_, 1999, pertaining to the approval of the Redevelopment Plan and the Redevelopment Project, the designation of the Redevelopment Area, the adoption of tax increment financing and the execution of the Agreement.

"City" means the City of St. Louis, Missouri, and its successors or assigns.

"Comptroller" means the Comptroller of the City.

"Deficiency" means the difference between the interest and principal payment scheduled to be paid on a Payment Date and the amount then available in the Special Allocation Fund to satisfy the amount owed by the City.

"Developer" means Breckenridge Edison Development, L.C., a Missouri limited liability company, and its successors or assigns.

"Finance Director" means an employee of the City designated by the Office of the Comptroller of the City.

"Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Maturity Date" means February 1, 2022.

"Net Proceeds" on deposit in the Special Allocation Fund are: (1) in the PILOTs Account, those payments in lieu of taxes (as that term is defined in

Section 99.805(10) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project over and above the certified total initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855 of the Act) of each such unit of property in the area selected for the Redevelopment Project and as paid to the City's Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; (2) in the Economic Activity Tax Account, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the area of the Redevelopment Project over the amount of such taxes generated by economic activities within the area of the Redevelopment Project in the calendar year prior to the adoption of the Approving Ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or taxes levied pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, for the purpose of public transportation; and (3) in the Other Sales Tax Account, subject to annual appropriation, fifty percent of the total additional revenue that the City receives from (a) the general municipal sales tax levied pursuant to Ordinance No. 62884, or any successor thereto (currently 0.375%), (b) the general municipal sales tax levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto (currently 1.00%), (c) the transportation sales tax levied pursuant to Ordinance No. 56553, or any successor thereto (currently 0.50%) and (d) the capital improvements sales tax levied pursuant to Ordinance No. 62885, or any successor thereto (currently 0.50%), which are generated within the Redevelopment Area while tax increment financing remains in effect, in each case less the costs of collection thereof. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

"Notes" or "TIF Notes" means the Taxable TIF Notes and the Tax-Exempt TIF Notes of the City, in the aggregate principal amount not to exceed (a)

\$5,300,000 plus (b) Issuance Costs (as defined in the Agreement) in an amount not to exceed \$200,000.

"Original Purchaser" means an accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations with assets of not less than \$5,000,000 which provides financing to the Developer for the Project.

"Owner" when used with respect to any TIF Note means the person who presently is the holder of such TIF Note.

"Payment Date" means each March 1, commencing on March 1, 2000.

"Redevelopment Area" means that area legally described as a redevelopment area in the Redevelopment Plan approved pursuant to the Approving Ordinance.

"Redevelopment Plan" means the Redevelopment Plan - Edison Brothers Warehouse Redevelopment Area, City of St. Louis, Missouri, dated December 22, 1998, as amended.

"Redevelopment Project" means the entire proposal for redevelopment as described in the Redevelopment Plan, as more particularly described in the Redevelopment Agreement.

"Redevelopment Project Costs" means those redevelopment project costs, as defined in the Act, that may be paid through tax increment financing and which the City has provided for under the Redevelopment Plan and the Redevelopment Agreement.

"Register" means the Register of the City.

"Special Allocation Fund" means the Edison Brothers Warehouse Special Allocation Fund created by the Approving Ordinance and ratified and confirmed by Section 401 of this TIF Note Ordinance.

"State" means the State of Missouri.

"Taxable TIF Notes" means the Taxable Tax Increment Revenue Notes (Edison Brothers Warehouse Redevelopment Area), Series 1999, of the City, in an aggregate principal amount not to exceed \$5,300,000 plus Issuance Costs, less the aggregate principal amount of the Tax-Exempt TIF Notes, authorized and issued pursuant to this TIF Note Ordinance.

"Tax-Exempt TIF Notes" means the Tax-Exempt Tax Increment Revenue Notes (Edison Brothers Warehouse Redevelopment Area), Series 1999, of the City, in an aggregate principal amount not to exceed \$600,000, authorized and issued pursuant to this TIF Note Ordinance.

"TIF Note Ordinance" means this Ordinance as from time to time amended in accordance with the terms hereof.

"Treasurer" means the Treasurer of the City.

## AUTHORIZATION OF TIF NOTES

Section 201. Authorization of TIF Notes. There are hereby authorized and directed to be issued TIF Notes of the City in the principal amount not to exceed the sum of (a) Five Million Three Hundred Thousand and 00/100 Dollars (\$5,300,000.00) plus (b) Issuance Costs (as defined in the Agreement) in an amount not to exceed Two Hundred Thousand and 00/100 Dollars (\$200,000.00), all for the purpose of paying a portion of those costs determined to be Redevelopment Project Costs in connection with the Redevelopment Plan, as provided in this TIF Note Ordinance and the Agreement. The TIF Notes shall be issued in two series: one or more Taxable TIF Notes in an aggregate principal amount not to exceed \$5,300,000 plus Issuance Costs (as defined in the Agreement) less the aggregate principal amount of the Tax-Exempt TIF Notes (the "Taxable TIF Notes"), interest on which shall be includable in the gross income of the owners thereof for federal income tax purposes, and one or more Tax-Exempt TIF Notes in an aggregate principal amount as set forth in the approving opinion of Bond Counsel (the "Tax-Exempt TIF Notes"), interest on which shall be excludable in the gross income of the owners thereof for federal income tax purposes.

Section 202. Security for TIF Notes. The TIF Notes shall be special limited obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Proceeds deposited in the Special Allocation Fund. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. **THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF**

THE TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT HAS BEEN PAID IN FULL).

Section 203. Description of TIF Notes.

(a) Taxable TIF Notes. The Taxable TIF Notes shall be issued in an aggregate principal amount not to exceed \$5,300,000 plus Issuance Costs (as defined in the Agreement) less the aggregate principal amount of the Tax-Exempt TIF Notes. The Taxable TIF Notes shall provide for interest compounded annually accruing on the unpaid principal at a rate per annum equal to the interest rate charged by the Developer's lender (not to exceed 10%), as evidenced to the Comptroller. The Taxable TIF Notes shall be substantially in the form set forth in Section 301(a) hereof. The TIF Notes shall be dated the date of original delivery thereof, and shall become due on the Maturity Date.

(b) Tax-Exempt TIF Notes. The Tax-Exempt TIF Notes shall be issued in an aggregate principal amount not to exceed \$600,000. The Tax-Exempt TIF Notes shall provide for interest compounded annually accruing on the unpaid principal at a rate per annum equal to the interest rate on the Taxable TIF Notes less 1.50%. The Tax-Exempt TIF Notes shall be substantially in the form set forth in Section 301(b) hereof. The TIF Notes shall be dated the date of original delivery thereof, and shall become due on the Maturity Date.

Section 204. Method and Place of Payment of TIF Notes. The principal of and interest on the TIF Notes shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America.

Payment shall be made by the Comptroller at his/her offices on each Payment Date upon presentation of the applicable TIF Notes by a duly authorized representative of the Owner. Upon payment of interest and principal and the notation upon the payment ledger of the applicable TIF Note, the City shall enter the amount paid and outstanding balance on its books which shall be rebuttably presumptive evidence of the principal amount outstanding on such TIF Note.

Section 205. Transfer and Assignment. The TIF Notes are being issued to the Original Purchaser. The TIF Notes are only transferable or assignable to an accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, upon the execution by the proposed transferee of a letter

stating that such transferee (i) is an accredited investor or qualified institutional investor and (ii) has sufficient knowledge and experience in business and financial matters in general, and investments such as the TIF Notes in particular, to enable the transferee to evaluate the risks involved in an investment in the TIF Notes. The TIF Notes may be transferred and exchanged only upon the records of the City. Upon surrender of a TIF Note at the principal office of the City, the City shall transfer or exchange the TIF Notes for a new TIF Note or TIF Notes, which shall be (i) in denominations or multiples of Five Thousand Dollars (\$5,000), and (ii) of the same Maturity and in the same aggregate principal amount outstanding as the TIF Notes which was presented for transfer or exchange. The TIF Notes presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the City, duly executed by the Original Purchaser thereof or by the Original Purchaser's duly authorized agent.

Section 206. Authorization of Additional TIF Notes. Additional TIF Notes are hereby authorized as follows:

(a) Additional TIF Notes may be issued under and be equally and ratably secured by this TIF Note Ordinance on a parity with the TIF Notes and other Additional TIF Notes, at any time from time to time as determined by the City and on compliance with the conditions hereinafter provided in this Section, to complete acquisition, construction, furnishing and equipping of the Redevelopment Project.

(b) Before any Additional TIF Notes shall be issued under the provisions of this Section, the City shall adopt a resolution authorizing the issuance of such Additional TIF Notes, fixing the amount and terms thereof pursuant to an amendment to the Agreement.

(c) Such Additional TIF Notes may only be authorized and issued by the City upon the written consent of owners of all TIF Notes then outstanding.

(d) Such Additional TIF Notes shall be executed substantially in the form and manner set forth in Section 301.

## FORM OF TIF NOTES

Section 301. Form of TIF Notes.



(a) The Taxable TIF Notes, as originally issued or upon transfer, exchange or substitution, shall be in substantially the following form:

EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO ANY ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL INVESTOR, AS SUCH TERMS ARE COMMONLY DEFINED FROM TIME TO TIME BY APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND REGULATIONS.

CITY OF ST. LOUIS, MISSOURI  
TAXABLE TAX INCREMENT REVENUE NOTE  
(EDISON BROTHERS WAREHOUSE REDEVELOPMENT AREA)  
SERIES 1999

THE CITY OF ST. LOUIS, MISSOURI (the "City"), on this \_\_\_\_ day of \_\_\_\_\_, 199\_\_, for value received, promises to pay to , its successors and assigns (the "Owner") the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), together with interest compounded annually at the rate of \_\_\_\_ percent (\_\_\_\_%) per annum on the outstanding balance hereof, calculated on the basis of a 365-day year and actual days elapsed from the date hereof to the earlier of: (i) the date of repayment, or (ii) February 1, 2022 (the "Maturity Date"). This Note evidences sums paid to the City by the Owner.

All payments of principal and interest by the City shall be from the Net Proceeds (as hereinafter defined) on deposit in the Special Allocation Fund created by Ordinance No. \_\_\_\_ passed and adopted by the Board of Aldermen on \_\_\_\_\_, 1999 (the "Approving Ordinance").

This Note shall be payable solely from the aforesaid Net Proceeds and from no other revenue or property of the City, it being understood that this instrument is a special limited obligation of the City and is payable solely from incremental tax revenues which the City is entitled to receive under Sections 99.800 through 99.865 of Missouri Revised Statutes, as amended (the "Act") and other moneys that are deposited from time to time in the Special Allocation Fund of the City as set forth below. This Note is not a general obligation of the City, the State of Missouri, or any political subdivision thereof, nor of any officer or employee thereof. This Note is issued in connection with a certain redevelopment plan entitled "Redevelopment Plan + Edison Brothers

Warehouse Redevelopment Area", dated December 22, 1998 (as from time to time amended, the "Plan"), and the program for redevelopment as described in the Redevelopment Plan (the "Redevelopment Project"), each of which has been approved pursuant to the Approving Ordinance, as further described in the Redevelopment Agreement between the City and Breckenridge Edison Development, L.C. (the "Agreement").

The "Net Proceeds" on deposit in the Special Allocation Fund are: (1) in the PILOTs Account, those payments in lieu of taxes (as that term is defined in Section 99.805(10) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project over and above the certified total initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855 of the Act) of each such unit of property in the area selected for the Redevelopment Project and as paid to the City's Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; (2) in the Economic Activity Tax Account, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the area of the Redevelopment Project over the amount of such taxes generated by economic activities within the area of the Redevelopment Project in the calendar year prior to the adoption of the Approving Ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or taxes levied pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, for the purpose of public transportation; and (3) in the Other Sales Tax Account, subject to annual appropriation, fifty percent of the total additional revenue that the City receives from (a) the general municipal sales tax levied pursuant to Ordinance No. 62884, or any successor thereto (currently 0.375%), (b) the general municipal sales tax levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto (currently 1.00%), (c) the transportation sales tax levied pursuant to Ordinance No. 56553, or any successor thereto (currently 0.50%) and (d) the capital improvements sales tax levied pursuant to Ordinance No. 62885, or any successor thereto (currently 0.50%), which are generated within the Redevelopment Area while tax increment financing remains in effect, in each case less the costs of collection

thereof. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

Subject to the terms of the immediately following paragraph, the principal and interest hereof shall be payable in annual installments as set forth in Schedule 1, attached hereto and incorporated herein by reference, or if such day is not a business day, the first business day thereafter (each, a "Payment Date") to the earlier of repayment or the Maturity Date of this Note, followed by a final payment, to the extent there are funds then available in the Special Allocation Fund, on the Maturity Date in the amount of the then unpaid principal balance hereof and all accrued and unpaid interest hereon.

Payment of principal and interest hereunder shall be subject to the following further terms and conditions:

- (i) Prior to applying any money in the Other Sales Tax Account to the repayment of the Notes, the City may reimburse itself from such account for administrative expenses (as approved by the Comptroller) relating to the Plan, the Project and the Notes in an amount not to exceed \$10,000 per year;
- (ii) If on any Payment Date the Net Proceeds in the Special Allocation Fund are insufficient to pay scheduled principal and accrued interest then due and owing, the amount of the deficiency (the "Deficiency") shall be carried forward as an amount due and owing hereunder. So long as the amount of any Deficiency is carried as a liability on the financial records pertaining to the Special Allocation Fund, the existence of such Deficiency shall not be deemed an event of default hereunder and shall not be cause for acceleration of this Note;
- (iii) All payments shall be allocated first to any accrued, but unpaid interest, then to principal; (iv) If on any Payment Date the Net Proceeds in the Special Allocation Fund are in excess of the amount required to pay the scheduled annual installment of principal plus accrued interest then due and owing, all excess Net Proceeds shall be applied by the City to the satisfaction of all outstanding Deficiencies under this Note and all other Notes executed and delivered pursuant to the Redevelopment Agreement, allocated in accordance with the then outstanding principal balances thereof; and
- (v) On the Maturity Date, the City shall pay to the Owner out of Net Proceeds then on deposit in the Special Allocation Fund all sums due to the Owner;

provided, however, that whether or not paid in full, this Note shall expire on the Maturity Date and the City shall have no further responsibility, liability, or obligation hereunder.

Subject to the foregoing, payments shall be applied first to accrued interest on this Note, and then, if there are additional funds available in the Special Allocation Fund on any Payment Date or on the Maturity Date, to the unpaid principal of this Note and all other Notes executed and delivered pursuant to the Agreement. Any unpaid interest carried forward as part of any Deficiency shall not be added to principal.

The City shall pay all amounts due and owing hereunder to the Owner upon presentation of the TIF Notes by a duly authorized representative of the Owner, at the offices of the City.

Reference is made to Ordinance No. \_\_\_\_ passed and adopted by the Board of Aldermen on \_\_\_\_\_, 1999 (the "TIF Note Ordinance") for a description of the covenants and agreements made by the City with respect to payment of Net Proceeds to pay this Note, the nature and extent of the security for this Note, the rights, duties and obligations of the City with respect hereto and, the rights of the Owner hereof.

This Note may be prepaid at any time in whole or in part without penalty. The right to transfer, assign, or negotiate this Note shall be limited to transfer, assignment, or negotiation to any accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, upon the execution by the proposed transferee of a letter stating that such transferee (i) is an accredited investor or qualified institutional investor and (ii) has sufficient knowledge and experience in business and financial matters in general, and investments such as the TIF Notes in particular, to enable the transferee to evaluate the risks involved in an investment in the TIF Notes.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, THE CITY OF ST. LOUIS, MISSOURI, has caused this Note to be executed by the manual or facsimile signature of the Mayor, the Comptroller and the Treasurer of the City and attested by the manual or facsimile signature of the Register of the City and its official seal to be affixed or imprinted hereon, and this Notes to be dated the date shown above.

CITY OF ST. LOUIS, MISSOURI

By:  
Mayor

By:  
Comptroller

By:  
Treasurer

ATTEST:

---

Register

CERTIFICATE OF AUTHENTICATION

Date of Registration:

This Notes is one of the Notes described in the within mentioned Ordinance.  
SCHEDULE 1

City of St. Louis, Missouri  
Taxable Tax Increment Revenue Note  
(Edison Brothers Warehouse Redevelopment Area)  
Series 1999

Date

Additions to Principal Amount

Principal  
Amount Paid

Outstanding  
Principal Amount

Signature of Finance Director

\_\_\_\_\_, 19\_\_

\$  
\$  
\$

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

(b) The Tax-Exempt TIF Notes, as originally issued or upon transfer, exchange or substitution, shall be in substantially the following form:

EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO ANY ACCREDITED INVESTOR OR QUALIFIED INSTITUTIONAL INVESTOR, AS SUCH TERMS ARE COMMONLY DEFINED FROM TIME TO TIME BY APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND REGULATIONS.

CITY OF ST. LOUIS, MISSOURI  
TAX-EXEMPT TAX INCREMENT REVENUE NOTE

(EDISON BROTHERS WAREHOUSE REDEVELOPMENT AREA)  
SERIES 1999

THE CITY OF ST. LOUIS, MISSOURI (the "City"), on this \_\_\_\_ day of \_\_\_\_\_, 199\_\_, for value received, promises to pay to , its successors and assigns (the "Owner") the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), together with interest compounded annually at the rate of \_\_\_\_ percent (\_\_\_\_%) per annum on the outstanding balance hereof, calculated on the basis of a 365-day year and actual days elapsed from the date hereof to the earlier of: (i) the date of repayment, or (ii) February 1, 2022 (the "Maturity Date"). This Note evidences sums paid to the City by the Owner.

All payments of principal and interest by the City shall be from the Net Proceeds (as hereinafter defined) on deposit in the Special Allocation Fund created by Ordinance No. \_\_\_\_ passed and adopted by the Board of Aldermen on \_\_\_\_\_, 1999 (the "Approving Ordinance").

This Note shall be payable solely from the aforesaid Net Proceeds and from no other revenue or property of the City, it being understood that this instrument is a special limited obligation of the City and is payable solely from incremental tax revenues which the City is entitled to receive under Sections 99.800 through 99.865 of Missouri Revised Statutes, as amended (the "Act") and other moneys that are deposited from time to time in the Special Allocation Fund of the City as set forth below. This Note is not a general obligation of the City, the State of Missouri, or any political subdivision thereof, nor of any officer or employee thereof. This Note is issued in connection with a certain redevelopment plan entitled "Redevelopment Plan + Edison Brothers Warehouse Redevelopment Area", dated December 22, 1998 (as from time to time amended, the "Plan"), and the program for redevelopment as described in the Redevelopment Plan (the "Redevelopment Project"), each of which has been approved pursuant to the Approving Ordinance, as further described in the Redevelopment Agreement between the City and Breckenridge Edison Development, L.C. (the "Agreement").

The "Net Proceeds" on deposit in the Special Allocation Fund are: (1) in the PILOTs Account, those payments in lieu of taxes (as that term is defined in Section 99.805(10) of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project over and above the certified total initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855 of the Act) of each such unit of

property in the area selected for the Redevelopment Project and as paid to the City's Treasurer by the St. Louis City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project; (2) in the Economic Activity Tax Account, subject to annual appropriation, fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the area of the Redevelopment Project over the amount of such taxes generated by economic activities within the area of the Redevelopment Project in the calendar year prior to the adoption of the Approving Ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or taxes levied pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, for the purpose of public transportation; and (3) in the Other Sales Tax Account, subject to annual appropriation, fifty percent of the total additional revenue that the City receives from (a) the general municipal sales tax levied pursuant to Ordinance No. 62884, or any successor thereto (currently 0.375%), (b) the general municipal sales tax levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto (currently 1.00%), (c) the transportation sales tax levied pursuant to Ordinance No. 56553, or any successor thereto (currently 0.50%) and (d) the capital improvements sales tax levied pursuant to Ordinance No. 62885, or any successor thereto (currently 0.50%), which are generated within the Redevelopment Area while tax increment financing remains in effect, in each case less the costs of collection thereof. Net Proceeds do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do Net Proceeds include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums.

Subject to the terms of the immediately following paragraph, the principal and interest hereof shall be payable in annual installments as set forth in Schedule 1, attached hereto and incorporated herein by reference, or if such day is not a business day, the first business day thereafter (each, a "Payment Date") to the earlier of repayment or the Maturity Date of this Note, followed by a final payment, to the extent there are funds then available in the Special Allocation Fund, on the Maturity Date in the amount of the then unpaid principal balance hereof and all accrued and unpaid interest hereon.



Payment of principal and interest hereunder shall be subject to the following further terms and conditions:

- (i) Prior to applying any money in the Other Sales Tax Account to the repayment of the Notes, the City may reimburse itself from such account for administrative expenses (as approved by the Comptroller) relating to the Plan, the Project and the Notes in an amount not to exceed \$10,000 per year;
- (ii) If on any Payment Date the Net Proceeds in the Special Allocation Fund are insufficient to pay scheduled principal and accrued interest then due and owing, the amount of the deficiency (the "Deficiency") shall be carried forward as an amount due and owing hereunder. So long as the amount of any Deficiency is carried as a liability on the financial records pertaining to the Special Allocation Fund, the existence of such Deficiency shall not be deemed an event of default hereunder and shall not be cause for acceleration of this Note;
- (iii) All payments shall be allocated first to any accrued but unpaid interest, then to principal;
- (iv) If on any Payment Date the Net Proceeds in the Special Allocation Fund are in excess of the amount required to pay the scheduled annual installment of principal plus accrued interest then due and owing, all excess Net Proceeds shall be applied by the City to the satisfaction of all outstanding Deficiencies under this Note and all other Notes executed and delivered pursuant to the Redevelopment Agreement, allocated in accordance with the then outstanding principal balances thereof; and
- (v) On the Maturity Date, the City shall pay to the Owner out of Net Proceeds then on deposit in the Special Allocation Fund all sums due to the Owner; provided, however, that whether or not paid in full, this Note shall expire on the Maturity Date and the City shall have no further responsibility, liability, or obligation hereunder.

Subject to the foregoing, payments shall be applied first to accrued interest on this Note, and then, if there are additional funds available in the Special Allocation Fund on any Payment Date or on the Maturity Date, to the unpaid principal of this Note and all other Notes executed and delivered pursuant to the Agreement. Any unpaid interest carried forward as part of any Deficiency shall not be added to principal.

The City shall pay all amounts due and owing hereunder to the Owner upon presentation of the TIF Notes by a duly authorized representative of the Owner, at the offices of the City.

Reference is made to Ordinance No. \_\_\_\_ passed and adopted by the Board of Aldermen on \_\_\_\_\_, 1999 (the "TIF Note Ordinance") for a description of the covenants and agreements made by the City with respect to payment of Net Proceeds to pay this Note, the nature and extent of the security for this Note, the rights, duties and obligations of the City with respect hereto and, the rights of the Owner hereof.

This Note may be prepaid at any time in whole or in part without penalty.

The right to transfer, assign, or negotiate this Note shall be limited to transfer, assignment, or negotiation to any accredited investor or qualified institutional investor, as such terms are commonly defined from time to time by applicable state and federal securities laws and regulations, upon the execution by the proposed transferee of a letter stating that such transferee (i) is an accredited investor or qualified institutional investor and (ii) has sufficient knowledge and experience in business and financial matters in general, and investments such as the TIF Notes in particular, to enable the transferee to evaluate the risks involved in an investment in the TIF Notes.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, THE CITY OF ST. LOUIS, MISSOURI, has caused this Note to be executed by the manual or facsimile signature of the Mayor, the Comptroller and the Treasurer of the City and attested by the manual or facsimile signature of the Register of the City and its official seal to be affixed or imprinted hereon, and this Notes to be dated the date shown above.

CITY OF ST. LOUIS, MISSOURI

By:  
Mayor

By:  
Comptroller

By:  
Treasurer

ATTEST:

\_\_\_\_\_  
Register

CERTIFICATE OF AUTHENTICATION

Date of Registration:

\_\_\_\_\_  
This Notes is one of the Notes described in the within mentioned Ordinance.

SCHEDULE 1

City of St. Louis, Missouri  
Tax-Exempt Tax Increment Revenue Note  
(Edison Brothers Warehouse Redevelopment Area)  
Series 1999

Date  
Additions to Principal Amount  
Principal  
Amount Paid

Outstanding  
Principal Amount

Signature of Finance Director

\_\_\_\_\_, 19\_\_

\$

\$

\$

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

\_\_\_\_\_, 19\_\_

#### ESTABLISHMENT OF FUNDS

Section 401. Creation of Funds and Accounts. There are hereby created or ratified and ordered to be established in the treasury of the City the following separate funds and accounts:

(a) Edison Brothers Warehouse Special Allocation Fund (the "Special Allocation Fund"), and within the Special Allocation Fund, a PILOTs Account, an Economic Activity Tax Account and an Other Sales Tax Account.

(b) Project Fund for Redevelopment Project Costs (the "Project Fund"), and within the Project Fund, a Project Account and a Costs of Issuance Account.

Section 402. Administration of Funds and Accounts. The funds and accounts established pursuant to the Approving Ordinance and Section 401 hereof shall be maintained and administered by the City solely for the purposes and in the manner as provided in this TIF Note Ordinance so long as any of the TIF Notes remain outstanding hereunder.

#### PAYMENT OF TIF NOTES

Section 501. Special Allocation Fund. Pursuant to the Act, the Approving Ordinance and this TIF Note Ordinance, the Treasurer shall deposit all Net Proceeds into the Special Allocation Fund.

Section 502. Application of Moneys in the Special Allocation Fund. So long as any of the TIF Notes remain outstanding, the Comptroller shall, on each Payment Date, administer and allocate the moneys held in the PILOTs Account and, subject to annual appropriation by the City, the Economic Activity Tax Account and the Other Sales Tax Account, as follows:

(a) Payment of Administrative Expenses. There shall first be paid to the City, but solely from money in the Other Sales Tax Account, an amount equal to administrative expenses incurred by the City (as approved by the Comptroller) relating to the Plan, the Project and the TIF Notes which shall not exceed \$10,000 in each calendar year.

(b) Payment of TIF Notes. There shall next be paid to the Owner an amount equal to the interest and principal then due pursuant to Schedule 1 of each series of the TIF Notes.

(c) Payment of Deficiency. There shall next be paid to the Owner amounts owed on all outstanding Deficiencies.

(d) Prepayment of TIF Notes. At the City's sole discretion, the City may prepay any portion of or the entire principal amount owed on the TIF Notes without premium or penalty.

(e) Payment on Maturity Date. If not repaid in full sooner, the entire outstanding balance of the TIF Notes, together with all interest thereon, shall be paid on the Maturity Date, but only to the extent that Net Proceeds are available in or then due to the Special Allocation Fund as of the Maturity Date. The City shall have no further obligations under this TIF Note Ordinance or the TIF Notes after the Maturity Date.

(f) Separate Base Years for all Taxes. The City shall maintain separate base year calculations for each type of tax included in the PILOT Account and the Economic Activity Tax Account.

All moneys remaining in the Special Allocation Fund after the Maturity Date shall be treated as "Surplus" as defined in the Act, and shall be distributed in the manner provided by law.

Section 503. Application of Moneys in the Project Fund. Moneys in the Project Account shall be used for the sole purpose of paying Redevelopment Project Costs incurred by the City pursuant to the Agreement and Redevelopment Plan,

and moneys in the Costs of Issuance Account shall be used for the sole purpose of paying the costs and expenses incident to the issuance of the TIF Notes. Withdrawals from the Project Fund shall be made only when authorized by the Board of Public Service and only on duly authorized and executed warrants or vouchers therefor. After all Issuance Costs (as defined in the Agreement) have been paid, but in no event later than six months after the date of original issuance of the TIF Notes, the City shall transfer all moneys remaining in the Costs of Issuance Account to the Special Allocation Fund. After all Redevelopment Project Costs incurred by the City pursuant to the Agreement and the Redevelopment Plan have been paid, but in no event later than the Maturity Date, the City shall, on the next succeeding Payment Date, transfer any surplus remaining in the Project Account to the Comptroller for payment on the TIF Notes pursuant to Section 502(b) hereof.

Section 504. Levy and Collection of Net Proceeds. The City hereby ratifies and confirms its obligation to levy and collect Net Proceeds pursuant to the Act and the Approving Ordinance for deposit in the Special Allocation Fund for the purpose of paying the TIF Notes.

The Net Proceeds shall be determined, collected and applied in the manner provided by law for the period through the Maturity Date or the date on which the TIF Notes has been paid in full, whichever shall first occur. After the Maturity Date, or the date on which the TIF Notes has been paid in full, whichever shall first occur, all Net Proceeds for any subsequent period shall cease and all property in the Redevelopment Area shall be subject to assessments and payment of all ad valorem taxes based on the full true value of the real property and the standard assessment ratio then in use for similar property by the St. Louis City Assessor.

The Net Proceeds shall be deposited in the Special Allocation Fund, shall be kept separate and apart from all other funds of the City and shall be used solely as provided in the Act, the Approving Ordinance and this TIF Note Ordinance.

Section 505. Remedies. The provisions of this TIF Note Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Owner. The Owner shall have the right:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of the Owner against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this TIF Notes Ordinance or by the constitution and laws of the State of Missouri;

(b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law of enjoin any acts or things which may be unlawful or in violation of the rights of the Owner.

Section 506. Limitation on Rights of Owner. The Owner secured hereby shall not have any right in any manner whatever by its action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided.

Section 507. Remedies Cumulative. No remedy conferred herein upon the Owner is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of the Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owner by this TIF Note Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by the Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to the Owner, then, and in every such case, the City and the Owner shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owner shall continue as if no such suit, action or other proceedings had been brought or taken.

## DEPOSIT AND INVESTMENT OF MONEYS

Section 601. Deposits of Moneys. Cash moneys in each of the funds and accounts created by and referred to in this TIF Note Ordinance shall be deposited in a bank or banks located in the State having combined capital, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) and which is a member of the Federal Deposit Insurance Corporation, and all such bank deposits shall be continuously and adequately secured by the banks holding such deposits as provided by the laws of the State.

Section 602. Investment of Moneys. Moneys held in any fund or account referred to in this TIF Note Ordinance shall be invested by the City pursuant to the direction of the City in Government Obligations or in time or demand deposits or in certificates of deposit issued by any bank having combined capital, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) but only to the extent such time or demand deposits or certificates of deposit are fully insured by the Federal Deposit Insurance Corporation; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund or account.

#### MISCELLANEOUS PROVISIONS

Section 701. Payments Due on Saturdays, Sundays and Holidays. In any case where the Payment Date is a Saturday, a Sunday or a legal holiday or other day that is not a business day, then payment of principal or interest need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the Payment Date, and no interest shall accrue for the period after such date.

Section 702. Notices, Consents and Other Instruments. Any notice, consent, request, direction, approval, objection or other instrument required by this TIF Note Ordinance to be signed and executed by the Owner of the TIF Notes may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owner in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of the TIF Note, if made in the following manner, shall be sufficient for any of the purposes of the TIF Note Ordinance, and shall be conclusive in favor of the City with regard to any action taken, suffered or omitted under any such instrument, namely:

- (a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.
- (b) The fact of ownership of the TIF Note, the amount or amounts and other identification of the TIF Note, and the date of holding the same shall be proved by the registration books of the City.



Section 703. Execution of Documents. The City is hereby authorized to enter into and the Mayor, the Comptroller, the Treasurer, and the Register of the City are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the TIF Notes and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this TIF Note Ordinance.

Section 704. Further Authority. The officers of the City, including the Mayor, the Treasurer, the Comptroller, the Finance Director and the Register, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this TIF Note Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instrument and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 705. Severability. If any section or other part of this TIF Note Ordinance, whether large or small, is for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this TIF Note Ordinance.

Section 706. Governing Law. This TIF Note Ordinance shall be governed exclusively by and constructed in accordance with the applicable internal laws of the State of Missouri.

Section 707. Private Sale. The Board of Aldermen of the City hereby declares that it is in the City's best interest to sell the TIF Notes at private sale since a public sale of the TIF Notes would cause additional expense to the City and since the condition of the current financial markets makes such a public sale not feasible or the best course of action for the City.

Legislative History				
1ST READING	REF TO COMM	COMMITTEE	COMM SUB	COMM AMEND
01/22/99	01/22/99	HUDZ	01/28/99	

<b>2ND READING</b>	<b>FLOOR AMEND</b>	<b>FLOOR SUB</b>	<b>PERFECTN</b>	<b>PASSAGE</b>
<b>01/29/99</b>			<b>02/05/99</b>	<b>02/05/99</b>
<b>ORDINANCE</b>	<b>VETOED</b>		<b>VETO OVR</b>	
<b>64631</b>				